



HIGH COURT OF AUSTRALIA

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Form 27D—Respondent’s submissions

Note: See rule 44.03.3.

IN THE HIGH COURT OF AUSTRALIA

No. S49/2025

SYDNEY REGISTRY

BETWEEN:

KATIE JANE TAYLOR
Appellant

and

KILLER QUEEN LLC
First Respondent

KATHERYN ELIZABETH HUDSON
Second Respondent

KITTY PURRY INC
Third Respondent

PURRFECT VENTURES LLC
Fourth Respondent

RESPONDENTS’ SUBMISSIONS

Part I: FORM OF SUBMISSIONS

1. These submissions are in a form suitable for publication on the Internet.

Part II: ISSUES

2. This appeal concerns the cancellation of the appellant's trade mark (**Designer's Mark**) from the Register of Trade Marks (**Register**) and the proper construction of the cancellation provisions in ss 88(2)(a) (insofar as it invokes s 60), 88(2)(c) and 89 of the *Trade Marks Act 1995* (Cth) (**Act**).
3. Three issues are presented by the notice of appeal (CAB 488). *First*, whether the Full Federal Court (**Full Court**) erred in ordering under s 88(2)(a) of the Act that the Register be rectified by cancelling the registration of the Designer's Mark on the ground provided for in s 60 of the Act. *Second*, whether the Full Court erred in ordering under s 88(2)(c) of the Act that the Designer's Mark should also be cancelled because of the circumstances applying as at 19 December 2019, the use of the trade mark was likely to deceive or cause confusion. *Third*, whether the Full Court erred in its approach to s 89 of the Act. In particular, whether it erred in finding that the discretion in s 89 was not enlivened, and if it did so err, whether it further erred in a *House v The King* sense in refusing to exercise the discretion.

Part III: SECTION 78B OF THE JUDICIARY ACT 1903 (CTH)

4. No s 78B notice is necessary.

Part IV: FACTS

Factual background

5. The appellant (variously known as Katie Perry, Howell and Taylor) is an Australian fashion designer who commenced using the brand name "KATIE PERRY" in connection with her clothes in around 2007. On 13 September 2007, the appellant applied to register a trade mark for "KATIE PERRY" in cursive script in class 42 for "clothing and fashion designing" (**First Application**), but that application lapsed on account of the appellant not paying the registration fee and deciding to lodge the application for what became the Designer's Mark (PJ [104]-[107]; CAB 43-44). That application (for the word "KATIE PERRY" in class 25 for "clothes") was lodged on 29 September 2008 (**Priority Date**) (PJ [2]; CAB 19). The evidence showed that the appellant's use of "KATIE PERRY" prior to that date was minor (PJ [55]-[57], [111], [114]-[118]; CAB 28-29, 44-47).
6. The second respondent (**Ms Hudson**) is a US pop star who has performed and marketed herself under the stage name Katy Perry since 2002. The other respondents are companies

associated with Ms Hudson (PJ [3]; CAB 19). By May 2005, Ms Hudson's single "Simple" had featured on the soundtrack to the movie "Sisterhood of the Travelling Pants", which grossed over \$1.3 million in Australia (PJ [33]-[34]; CAB 24). In April 2007, Ms Hudson was signed by the record label Virgin and her career increased from this time (PJ [61]-[62]; CAB 30). In November 2007, Ms Hudson released the single "Ur So Gay", with the song immediately going "viral" and receiving publicity and successful sales (PJ [63]-[65]; CAB 30). The song was popular in Australia, and in June 2008 was played on the Australian Broadcasting Corporation television program "Rage" (RBFM 6-7). In the meantime, in early 2008, Ms Hudson had been invited to perform on the "Warped Tour", a long-standing US outdoor rock music tour (PJ [69]; CAB 32), which commenced in June 2008 with Ms Hudson performing around 40 concerts. At those concerts, Katy Perry branded clothes were sold (PJ [74]-[75]; CAB 33-34).

7. By July 2008, Ms Hudson's single "I Kissed a Girl", from her album "One of the Boys", was being played on commercial radio in Australia (PJ [127]; CAB 52). One person who heard that single playing on the radio at that time was the appellant who found it "catchy", after which she proceeded to purchase it on iTunes (PJ [127], [191]; CAB 52, 79; RBFM 8). By 24 July 2008, the single became the top selling single at Big W in Australia (RBFM 9). By 7 August 2008, "One of the Boys" was the sixth bestselling album of the week at Sanity Music, an Australian music retailer (RBFM 35). By 4 September 2008, it was reported in Australian mainstream media that Ms Hudson had announced an Australian tour, with tickets for the tour going on sale on 12 September 2008 (PJ [102]; CAB 43; RBFM 36-38). That Australian tour ran from 10 to 14 October 2008. There were a number of articles published about Ms Hudson while she was in Australia during that period (PJ [102]-[103]; CAB 43).
8. Those facts allowed the primary judge to conclude that by the Priority Date, Ms Hudson had "achieved significant exposure in the Australian media, the singles had been played on Australian radio, and each had achieved a level of popularity given their respective rankings on the Australian charts" (PJ [724]-[728(5)]; CAB 248-250).
9. While at the Priority Date Ms Hudson had not marketed or sold any clothes in Australia, in mid-2008, her agent, Steven Jensen (who gave evidence in the first instance proceedings), commenced taking steps towards doing so. On 12 June 2008, Mr Jensen caused an application to register "KATY PERRY" as a trade mark for apparel in class 25 in the US (PJ [73]; CAB 33). In July 2008, Mr Jensen commenced discussions with a company known as Bravado International Group Inc (**Bravado**) in relation to developing "KATY PERRY" branded clothing merchandise (PJ [85]; CAB 37). By early October 2008, Bravado had

launched a webstore for Ms Hudson (linked to Ms Hudson's business domain katyperry.com) which permitted persons in and outside the US, including in Australia, to purchase "KATY PERRY" clothing merchandise online (PJ [96]-[98], [686]-[688]; CAB 41-42, 235-236).

10. This activity was consistent with a commonplace trend which had developed by the Priority Date, and which was likely known to the appellant at that time (PJ [735]; CAB 253), that music artists would sell clothing bearing their names and likeness at concerts, and that celebrities often moved into clothing merchandising. The appellant gave the example of Gwen Stefani (which the appellant accepted she was aware of in September 2008 (T93.20-34; ABFM 5)) and the later example of Rhianna. The evidence also included an article in *The Australian* which referred to merchandising by singer Jennifer Lopez and contained commentary to the effect that fashion was a common area into which celebrities launch brands (PJ [136]-[137]; CAB 56). While this article was published on 16 June 2009 (after the Priority Date), it was contextual evidence in support of the fact that as at and around the Priority Date there was a well-known propensity for celebrities to merchandise their names through clothing. Mr Jensen's affidavit evidence, referred to in FCJ [291(a)] (CAB 410), was to the same effect.
11. As described in the appellant's submissions (AS) at [16], in May 2009, Ms Hudson became aware of the application to register the Designer's Mark and on 8 May 2009 filed an application for an extension of time to oppose it (**Extension of Time Application**) (PJ [129]-[133]; CAB 53-55). On 26 June 2009, Ms Hudson also filed an application to register the trade mark "KATY PERRY" for music and entertainment services as well as class 25 "apparel" (PJ [153]; CAB 64). Correspondence was also exchanged between Ms Hudson's Australian lawyers and the appellant, with the appellant's initial reaction being to seek to publicise the dispute, including by participating in an interview which resulted in *The Australian* article referred to above (PJ [136]-[137]; CAB 56). The appellant also posted a video on her YouTube channel imploring that she was "absolutely no threat" to Ms Hudson (PJ [154]-[155]; CAB 65). By July 2009, Ms Hudson's Australian lawyers were seeking to settle the dispute via a co-existence arrangement (PJ [160]-[165], [172]-[173]; FCJ [211]; CAB 67-72, 393). Drafts were exchanged, and the appellant gave an interview to *The Sydney Morning Herald* disclosing that Ms Hudson's lawyers had come back to her "wanting to have a more amicable settlement" (PJ [159]; CAB 66-67). However, ultimately the appellant, through her solicitors at the time, objected to the co-existence agreement because it only addressed trade mark applications in Australia and would need to address use of the

Designer's Mark in overseas territories. The solicitors indicated they would provide an amended deed which would incorporate the appellant's instructions, but no deed was ever provided (PJ [166]; FCJ [322], [344]; CAB 70, 416, 420; RBFM 40-41, 62-63).

12. Subsequently, Ms Hudson withdrew the Extension of Time Application because she received advice it was likely to fail and because it was considered to be in her best interests to avoid further publicity and incur unnecessary costs (PJ [167]-[169], [177]-[178]; FCJ [211]; CAB 70-71, 73, 393). The Designer's Mark was registered on 21 July 2009 (PJ [184]; CAB 76). In September 2009, Ms Hudson's application to register her mark (**Katy Perry Mark**) came up for examination and the Designer's Mark was cited against it. As noted in AS [18], to overcome that objection Ms Hudson withdrew the "apparel" class 25 goods from the specification (PJ [194]-[195]; CAB 81).
13. In August 2009, Ms Hudson toured Australia and sold clothes at her concerts. While, as noted in AS [17], Mr Jensen accepted in evidence that Ms Hudson took a "calculated risk" in this regard (see at PJ [182]-[183]; CAB 75-76), as the Full Court observed at FCJ [174] (CAB 385), that risk "must be viewed in the context of all of the matters set out by the primary judge in PJ [666]-[668]" (CAB 230-231) which comprised a factual finding that "[c]ritically, Mr Jensen honestly believed that no confusion was likely to arise from the sale of clothes bearing Katy Perry's name" (PJ [666]; CAB 230). That state of mind existed at the time the co-existence agreement was sought to be negotiated, at the time the Extension of Time Application was withdrawn, and at the time of the August 2009 tour. The appellant, on the other hand, was aware of the tour from June 2009 and accepted that it was likely that clothing featuring the Katy Perry Mark would be offered for sale at those concerts (PJ [154]; CAB 65). But she did not make contact or assert her trade mark rights which led Mr Jensen to believe that there was no real likelihood of subsequent contact. He thereafter proceeded at all times on that basis (PJ [666(4)]; CAB 230). In fact, the appellant sought to develop her own reputation and that of her clothing during the time of Ms Hudson's August 2009 tour, taking steps with a PR firm she had engaged to seek to organise a joint press conference, or an exclusive with a major network program, at which it was proposed the appellant would give Ms Hudson some of her clothing as a peace offering, although this never eventuated (PJ [185]-[190]; CAB 76-79).
14. Thereafter, Ms Hudson's reputation as an artist and entertainer, and the reputation of the Katy Perry Mark, including in respect of clothes, increased. By February 2011, the third respondent had entered into an agreement with Bravado in relation to the ongoing sale of "Katy Perry" branded merchandise, including clothing associated with her upcoming

“California Dreams” tour (PJ [204]-[206]; CAB 84-85; FCJ [30]; CAB 346). That tour came to Australia between 28 April and 15 May 2011, where Ms Hudson performed 8 live concerts where clothing merchandise was marketed and sold (PJ [206]-[207], [666]-[667]; CAB 85, 230-231). No contact was received from the appellant. In 2012, Ms Hudson appeared on and performed at a large number of high profile shows, including at the 54th Annual Grammy Awards, where her single “Firework” was nominated for “Record of the Year” and “Best Pop Solo Performance” (PJ [221]; CAB 89-90). In that year, Ms Hudson also released the single “Part of Me”, which debuted at number one on Billboard Top 100 Chart and was certified double platinum by ARIA (PJ [221]; CAB 89-90). In 2013, Ms Hudson appeared on and performed at a large number of high profile live concert shows, music festivals and TV programs, including in Sydney on “The X Factor” and breakfast TV program “Sunrise” to promote her album “Prism” (PJ [222]; CAB 90). That album was the focus of her 2014-2015 “Prismatic” world tour where Ms Hudson performed 151 live concert shows across 30 countries (PJ [227]; CAB 92), including 23 in Australia, at which clothing bearing the Katy Perry Mark were sold (PJ [226]-[227]; CAB 91-92) as well as at pop up stores in Sydney and Melbourne (PJ [228]; CAB 92). Again, the appellant did not contact the respondents. At around this time, Katy Perry branded merchandise began being sold to customers in Australia by Harris Scarfe and Best & Less (PJ [487]; CAB 181). The next tour in Australia was the “Witness” tour which occurred in July-August 2018 and included 14 live concert shows (PJ [239]-[240]; CAB 95). Again, merchandise was sold in connection with this tour, but the appellant made no contact.

15. The appellant’s use of the Designer’s Mark in this intervening period (as described in PJ [209]-[220] (CAB 86-89)) was comparatively modest. It is notable that throughout that period the appellant’s promotion of the Designer’s Mark included associating herself with Ms Hudson, including as set out in PJ [220] (CAB 88-89). The first time that the appellant objected to the use of the Katy Perry Mark on clothing marketed and sold in Australia was 18 September 2019 when she sent a letter of demand, ten years after the 2009 dispute. Shortly thereafter on 24 October 2019, proceedings were commenced (PJ [262]-[265]; CAB 102). A cross-claim was filed on 19 December 2019.

Part V: ARGUMENT

Section 60 of the Act (ground 2(i) of the notice of appeal)

16. The Full Court overturned the primary judge’s finding that, notwithstanding that the Katy Perry Mark had a reputation prior to the Priority Date, use of the Designer’s Mark was not

likely to deceive or cause confusion because of that reputation. In FCJ [289]-[300] (CAB 409-412), the Full Court identified four errors in the primary judge's analysis which led it to conclude that the primary judge's assessment was erroneous (FCJ [301]; CAB 412) and that once the matters referred to in FCJ [302] (CAB 412) were taken into account, the use by the appellant of the Designer's Mark on clothes would be likely to deceive or cause confusion. The appellant's contention that at least three of those matters reveal error by the Full Court should not be accepted for the following reasons.

17. As noted in AS [37], the first error that the Full Court identified in the primary judge's approach was that her Honour "unduly confined the reputation in the Katy Perry Mark" (FCJ [289]; CAB 409) and that it was "artificial [for the primary judge] to excise and disaggregate the reputation of Katy Perry, the entertainer, from the reputation in the Katy Perry Mark for the purposes of the s 60 enquiry" (FCJ [290]; CAB 409). Contrary to AS [37]-[42], this reasoning involves no error of principle.
18. Registration of a trade mark in respect of particular goods ('the applicant's trade mark') may be opposed under s 60 on the ground that another trade mark had, before the priority date for the registration of the applicant's trade mark in respect of those goods, acquired a reputation in Australia and that, because of that reputation, the use of the applicant's trade mark would be likely to deceive or cause confusion. Opposition must be based on a *trade mark* (being a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade¹) having a reputation in Australia, not on reputation alone. And, if the requisite reputation has been established, the likelihood of deception or confusion must also be demonstrated.²
19. The Full Court did not stray beyond the first limb of the s 60(a) inquiry in reasoning that, in the present case where "Katy Perry" was Ms Hudson's stage name, the reputation of the entertainer logically could not be divorced from the reputation of the Katy Perry Mark to the extent that it was deployed in connection with the marketing and sale of Ms Hudson's singles and album which had achieved significant success by the Priority Date of the Designer's Mark. As the Full Court observed at FCJ [289] (CAB 409), "[t]he reputation in [Katy Perry's] name was of necessity a reputation in her name as a mark".
20. As the Full Court also pointed out at FCJ [276]-[277] (CAB 407), reputation in the context of s 60 involves the recognition of the other trade mark by the Australian public *generally*,

¹ Section 17 of the Act.

² *Self Care IP Holdings Pty Ltd v Allergan Australia Pty Ltd* (2023) 277 CLR 186 at [13]. That two stage enquiry is replicated in the Full Court's reasons at FCJ [274] (CAB 406).

and there is no statutory requirement that the reputation in the other mark be specific to the goods or services the subject of the opposed mark.³ There is nothing in *Self-Care* which suggests otherwise. Once that is accepted, it is the reputation of the Katy Perry Mark in respect of entertainment and music which meant that there was recognition of that mark by the public generally in Australia. The facts (as summarised at [6]-[7] above and referred to in PJ [724]-[727], [728(5)] (CAB 248-250) and FCJ [256], [282] and [289] (CAB 402, 407-408, 409)) make it clear that as at the Priority Date, Ms Hudson was famous, under the Katy Perry stage name and the Katy Perry Mark, as a pop star for her music. In concerts, public events and media reporting on her music, Ms Hudson was referred to as “Katy Perry” which necessarily increased the Australian public’s awareness or recognition of her, her music and the Katy Perry Mark as a sign used to distinguish her music and entertainment from others. That was so as a matter of fact whether or not certain of the individual uses of Katy Perry were, in a technical legal sense, uses of that sign as a trade mark (e.g. those referred to in AS [39]). In any event, the fact that not all uses of “Katy Perry” in connection with the entertainer were uses of that name as a trade mark does not detract from the evidence of the use of the Katy Perry Mark as a trade mark in connection with Ms Hudson’s music and entertainment (as summarised at [6]-[7] above) which, on its own, provided a sound evidentiary basis for the Full Court’s conclusion that as at the Priority Date the Katy Perry Mark had a reputation in Australia.

21. Those matters, considered together with the evidence referred to at [10] above which established that as at the Priority Date clothing and fashion was a common area in which pop stars launched brands (thus establishing a relationship between entertainment and music on the one hand, and clothes on the other), were all relevant to the conclusion that because of the reputation of the Katy Perry Mark in entertainment and music, the use of the Designer’s Mark would be likely to deceive or cause confusion. There was no inappropriate hindsight reasoning applied by the Full Court in this aspect of its analysis. Contrary to AS [40], the second aspect of the s 60 enquiry – namely whether because of the reputation of the Katy Perry Mark in music and entertainment, use of the Designer’s Mark would be likely to deceive or cause confusion – did not require the respondents to demonstrate that as at the Priority Date Ms Hudson had *in fact* sold clothes in Australia. That must be the case given there is no statutory requirement that the reputation of the other mark be specific to the goods or services the subject of the opposed mark.

³ *McCormick & Co Inc v McCormick* (2000) 51 IPR 102 at [81] (Kenny J) referring to the Macquarie Dictionary definition of “reputation”.

22. Relatedly, the argument at AS [42] which seeks to expose the alleged difficulty with the Full Court's reasons should be treated with caution. The Full Court's reasoning did not involve it speculating generally about the fields of commerce in which "celebrities, might, in principle, wish to use or merchandise their names". Rather, it was engaging with the specific evidence before it which established that as at the Priority Date, clothing and fashion was a common area in which pop stars launched brands. Once that is appreciated, the submission that it is "unclear how far the effect of a general reputation in a celebrity's name would extend" is without merit. In any event, floodgates arguments are seldom persuasive.
23. On the evidence before the Full Court, it was open for it to find that the increasing commonness of "brand extension" and character or celebrity merchandising into clothes at the Priority Date exacerbated, rather than diminished, the likelihood of deception or confusion. As the appellant herself emphasises as AS [45], the question of deception or confusion for the purposes of the second limb of the s 60 inquiry must be answered on the evidence. And there is no general proposition to be gleaned from the authorities that the strong reputation of a well-known mark will necessarily lessen any likelihood of confusion. Thus, the fact that the Full Court found the authorities referred to in AS [44] unpersuasive does not belie error on its part. Indeed, other authorities have held that strong reputation in other marks have aggravated the risk of deception or confusion.⁴
24. Nor is there error in FCJ [292]-[295] (CAB 410-411) where the Full Court relied on the uncontroversial⁵ matter that the marks were deceptively similar in support of its conclusion that because of the reputation of the Katy Perry Mark as at the Priority Date, use of the Designer's Mark in respect of clothes would be likely to deceive or cause confusion. While certainly, s 60 requires the reputation of the other mark to be the cause of the deception or confusion, and the approach to the question of whether marks are deceptively similar requires one to ignore reputation, that does not mean that the degree of similarity between the allegedly conflicting marks is irrelevant or immaterial to the second aspect of the s 60 inquiry.⁶

⁴ See Davison and Horak, *Shanahan's Australian Law of Trade Marks and Passing Off* (6th ed, 2016) at [50.2415]; *Radio Corporation Pty Ltd v Disney* (1937) 57 CLR 448 at 457 (Dixon J); *United Artists Corporation v Trevor Clarke Holdings Pty Ltd* (1998) 41 IPR 425 at 437 (H R Hardie) and *NBA Properties, Inc v Kris John Gaunt* (1998) 44 IPR 225 at 231 (H R Hardie).

⁵ It was common ground that the Designer's Mark and the Katy Perry Mark are deceptively similar (FCJ [292]; CAB 410).

⁶ See also the authorities to which the Full Court referred, in particular *Qantas Airways Limited v Edwards* (2016) 338 ALR 134 at [142] (Yates J); *Rodney Jane Racing Pty Ltd v Monster Energy Company* (2019) 370 ALR 140 at [83]-[84] (O'Bryan J); *McD Asia Pacific LLC v Hungry Jack's Pty Ltd* (2023) 175 IPR 397 at [143] (Burley J).

25. In any event, the Full Court’s analysis at FCJ [294] (CAB 411) was focussed on the strength of the reputation of the Katy Perry Mark. In this paragraph, the Full Court was recognising that as at the Priority Date, the Katy Perry Mark’s reputation was not so notorious or well-known that the Australian public generally would have been aware of the correct spelling of the mark; only “some die-hard fans of Ms Hudson” may have been so aware. Accordingly, it was *because of that extent of the reputation* of the Katy Perry Mark that the use of a deceptively similar mark (“KATIE PERRY”) would be likely to deceive or cause confusion. Thus, while as observed in AS [45], in some cases, the strength in the reputation of an earlier trade mark may mean that consumers have a very good recollection, here, there was no evidence that as at the Priority Date, consumers did notice the small differences in the marks.⁷ While the reputation of the Katy Perry Mark was undoubtedly significant, there was no evidence to support a finding that as at the Priority Date it was so significant that the probable purchaser of clothing bearing the Designer’s Mark would not confuse the marks because that purchaser would be aware that Ms Hudson spelt her first name with a “y”. To the extent that the appellant submits that the “informal spelling of the name (KATY, as compared to KATIE)” is consistent with “a reputation arising from pop music” such that “[i]f anything, this would strengthen the likelihood that the appellant’s more traditional spelling of KATIE would be noticed” (AS [45]), that submission is not supported by evidence. There are various slightly different spellings of the name – e.g., “Katie”, “Katy”, “Katey” – all of which sound identical and, particularly when combined with an identical surname, are easily overlooked. It may be as at the Priority Date, few people would have purchased clothes sight unseen, but there were likely to be many people who were familiar with the Katy Perry Mark in connection with Ms Hudson’s music and entertainment, but did not have a precise recollection of whether it was spelt with a “y” or an “ie”.
26. Finally, there was no error in the Full Court’s conclusion at FCJ [296] (CAB 411) that the primary judge placed undue weight on the absence of evidence of actual confusion at and since the Priority Date. As the Full Court correctly reasoned, it is well established that evidence of actual confusion is not required.⁸ In any event, the evidence showed that the appellant’s use of the Designer’s Mark as at the Priority Date was minor (PJ [40]-[51], [55]-[59], [110]-[119]; CAB 25-27, 28-30, 44-47), and subsequently that use was modest (PJ

⁷ As was the case in *Delfi Chocolate Manufacturing S.A. v Mars Australia Pty Ltd* (2015) 115 IPR 82 at [29] (Jessup J) where his Honour observed that because of the reputation of the MALTESERS mark, a notional consumer of confectionary would be immediately struck by the differences between the two marks.

⁸ *Monster Energy Company v Mixi Inc* (2020) 156 IPR 378 at [22] (Stewart J); *Vivo International Corporation Pty Ltd v Tivo Inc* (2012) 294 ALR 661 at [113]-[115], [162] (Nicholas J); *Dunlop Aircraft Tyres Ltd v Goodyear Tire & Rubber Company* (2018) 262 FCR 76 at [180]-[181] (Nicholas J).

[120]-[126], [209]-[219], [745], [786]; CAB 48-52, 86-88, 255, 268). Thus, as the Full Court correctly reasoned in FCJ [298]-[299] (CAB 411-412), the lack of evidence of actual confusion tells one very little about the likelihood of such confusion arising from any notional use of the Designer's Mark as at the Priority Date.⁹

27. For the above reasons, the reasoning of the Full Court with respect to s 60, and the consequent determination that the Designer's Mark should be cancelled on the basis of s 88(2)(a) of the Act, should not be disturbed (subject to the application of s 89 which is addressed below).

Section 88(2)(c) of the Act (ground 2(ii) of the notice of appeal)

Threshold issue: notional or actual use?

28. As noted at FCJ [331] (CAB 418), the primary judge approached the likelihood of deception and confusion for the purposes of s 88(2)(c) by reference to any "normal and fair use" of the Designer's Mark. At trial, no party contended for a different approach. In the Full Court, however, the appellant contended that this ground was to be assessed having regard to the registered owner's actual use of the trade mark. As noted in AS [49], while the Full Court did not expressly deal with the point of statutory construction, it regarded the s 88(2)(c) ground as established even if the point were correct. We return to this in [37] below.
29. Before turning to the proper construction of s 88(2)(c), it is convenient to briefly consider the legislative history of the provision, as well as s 89, and its statutory antecedents. As noted in AS [28], ss 88(2)(c) and 89 had no direct counterparts in the *Trade Marks Act 1955* (Cth) (**1955 Act**). In the 1955 Act, the power to cancel ("expunge") an entry in the Register was found in s 22(1)(b) which provided that the Register could be rectified "by the expunging or amendment of an entry wrongly made or remaining in the Register". One of the grounds upon which a mark could be expunged was prescribed by s 28(a) which provided "A mark... (b) the use of which would be likely to deceive or cause confusion... shall not be registered as a trade mark". Also relevant was s 61 which relevantly provided that registration of a trade mark was conclusive unless it was shown "that the trade mark offends against the provisions of s 28". However, the authorities were unsettled as to whether s 28(a) permitted a validly registered mark to be expunged due to circumstances arising after the date of the application for registration and whether those circumstances had to involve blameworthy

⁹ *General Electric Co v General Electric Co Ltd (GE Trade Mark)* [1973] RPC 297 at 321 (Diplock LJ) (quoted in *Dunlop* at [180] (Nicholas J) and referred to in FCJ [297] (CAB 411)).

conduct on the part of the registered owner.¹⁰ The issue was considered in *New South Wales Dairy Corp v Murray Goulburn Co-operative Co Ltd* (1990) 171 CLR 363 (***Murray Goulburn HC***) where four justices of this Court held that s 28(a) had a continuing operation after registration and that it was necessary to show blameworthy conduct on the part of the registered owner before a mark could be expunged due to circumstances arising after the date of registration.¹¹ As observed in AS [30], the debate was ultimately resolved in ***Campomar Sociedad, Limitada v Nike International Limited*** (2000) 202 CLR 45 which held that s 28(a) of the 1955 Act did not have a continuing operation, and thus there was no occasion to consider “blameworthy conduct” (however, as noted in AS [30], the current Act was passed before that decision).

30. As stated in AS [28], ss 88(2)(c) and 89 were the product of recommendations in the Working Party to Review the Trade Marks Legislation’s *Recommended Changes to the Australian Trade Marks Legislation* (1992) (**Working Party Report**). The Working Party Report was released after judgment in *Murray Goulburn HC* with the authors referring to that decision as evidence that the 1955 Act was “unclear as to the ongoing relevance of pre-acceptance tests to the post-registration situation”, such that it was “clear... that action needs to be taken at the legislative level to remove the perceived ambiguities from the Act”. That resulted in recommendation 36A(5) which recommended that an application for rectification of the Register may be made on the ground that “the use of the trade mark as at the date of commencement of the rectification proceedings is liable to deceive or confuse; provided that the mark shall not be removed on [ground (5)] if the circumstances have not arisen through fault on the part of the proprietor, the onus on the proprietor to show this”. This recommendation was largely taken up in ss 88(2)(c) and 89 of the Act as originally enacted.¹²

¹⁰ ***Berlei Hestia Industries Ltd v Bali Co Inc*** (1973) 129 CLR 353 at 358 (Mason J, Stephen J agreeing, where it was held that s 28(a) did provide a ground on which a trade mark could be expunged under s 22(1)(b) of the 1955 Act); *GE Trade Mark* [1973] RPC 297 at 334-335 (where the majority of the House of Lords held, (Diplock LJ delivering the leading speech) that a trade mark which was validly registered at the time it was registered could be expunged due to circumstances arising after the date of registration, but only if the registered owner was guilty of some form of “blameworthy conduct”); *Pioneer Hi-Bred Corn Co v Hy-Line Chicks Pty Ltd* [1978] 2 NZLR 50 at 52 and 72 (where the Court of Appeal in New Zealand construed the corresponding provision in that country as requiring refusal of registration where there was the likelihood of deception or causing of confusion notwithstanding there was no blameworthy conduct); *HTX International Pty Ltd v Semco Pty Ltd* (1983) 78 FLR 57 at 63-64 (Fox J, holding that the principle from *GE Trade Mark* applied in respect of s 28(a) of the 1955 Act); *Settef SpA v Riv-Oland Marble Co (Vic) Pty Ltd* (1987) 10 IPR 402 at 431 (McGarvie J); ***Riv-Oland Marble Co (Vic) Pty Ltd v Settef SpA*** (1988) 19 FCR 569 at 574 (Bowen CJ, Lockhart J agreeing, holding that “blameworthy conduct” was necessary).

¹¹ At 382-384 (Mason CJ); at 388-391 (Brennan J) and at 401-403 (Dawson and Toohey JJ, although at 409 their Honours held that a “blameworthy act” was “no more than a shorthand method of referring to all those circumstances that might disentitle an applicant to relief in a court of equity”). Deane, Gaudron and McHugh JJ (all writing separately) did not consider that s 28 operated by reference to events which occurred after registration.

¹² Contrary to AS [29], it is unclear whether s 88(2)(c) was included in the Act in order for Australia’s trade marks legislation to be TRIPS-compliant. In order for Australia to have TRIPS-compliant legislation, the *Trade Marks Act*

The original text of s 88(2)(c) was that an application for rectification may be made on the ground that:

(c) because of the circumstances applying at the time when the application for rectification is filed, the use of the trade mark is likely to deceive or cause confusion *for a reason other than one for which:*

(i) *the application for registration of the trade mark could have been rejected under ss 43 or 44; or*

(ii) *the registration of the trade mark could have been opposed under section 60.*

31. Section 88(2)(c) was subsequently amended by the *Trade Marks Amendment Act 2006* (Cth) which deleted the italicised words set out above. It is apparent from the Explanatory Memorandum to that Bill that the amendment was to make clear that marks “registered under a previous Act can be removed from the Register due to grounds that have arisen since they were registered” and “to make it clear that any trade mark may be removed from the register [sic], irrespective of the Act under which it was registered, if it is likely to deceive or cause confusion to consumers at the time an application to remove it from the Register is made”.¹³
32. Turning then to the text of s 88(2)(c), the subsection depends on the registration of a mark with a specification of goods and/or services. Registration grants exclusive rights to the owner of the mark across the breadth of the specification (and, in the context of infringement, more broadly to goods or services of the same description): see ss 20 and 120 of the Act. Those rights are not constrained by any actual use the owner makes of the mark. Section 88 (along with ss 87 and 92) counterbalances those rights. Relevantly, s 88(2)(c) permits a registered mark to be rectified by reason of circumstances which have arisen post-registration. Contrary to AS [50], the statutory text does not limit the relevant “circumstances” to the actual use of the trade mark by its owner but contemplates the “circumstances *applying*” in the relevant marketplace *at the time of the rectification application*.
33. The grounds of opposition relevant to s 88(2)(a) (such as s 60) are assessed by reference to a fair and normal use of a mark across the breadth of the specification. The same method of analysis is applicable to s 88(2)(c). There is no reason to distinguish between these subsections in that regard. The words “*is likely to deceive or cause confusion*” in s 88(2)(c) indicate an enquiry *at the time of the rectification application* covering any fair and normal use of the trade mark; if the s 88(2)(c) enquiry were confined to the actual use of the mark

1994 (Cth) (1994 Act) was passed by the Parliament. The *Trade Marks Bill 1994* (which led to the 1994 Act) did not include a provision equivalent to or similar to s 88(2)(c) of the Act.

¹³ Explanatory Memorandum to the *Trade Marks Amendment Bill 2006* (Cth) at [4.14.1].

up to the date of the rectification application, the subsection would be expected to ask whether that use “[*was*] likely to deceive or cause confusion”. The contrast drawn in AS [51] between s 88(2)(c) and s 60 (which uses the language of “would be likely”) is not of assistance. That is particularly so where the enquiry in s 60 looks to whether any notional use of a mark which has yet to be registered would be likely to deceive or cause confusion because of the reputation of another mark.

34. Further, both grounds of opposition are directed at the counterbalancing described in [32] above, albeit for different timeframes. The legislative purpose of s 88(2)(c) – to maintain the integrity of the Register in the sense that, relevantly, no registration of a mark is to continue if not valid¹⁴ – would not be achieved if the likelihood of confusion were determined according to the actual, historical use of the owner of the mark. The difficulty with the “actual use” approach is that it must necessarily be based on evidence of use from before the application for rectification is brought. Otherwise, a registered owner could nullify a cancellation action by ceasing use after a threat of cancellation proceedings is raised and recommence its use after a period of time. The appellant’s approach would also permit, for example, the registered owner of a mark to resist rectification on the basis of its narrow use of a trade mark with a broad specification. Indeed, this is what the appellant seeks to do in AS [58] by submitting that the absence of evidence of actual confusion here verges on the determinative. That submission highlights that, if only actual use were relevant, the likelihood of confusion would not be addressed because the unduly broad monopoly would remain intact. Such an outcome would be at odds with the legislative scheme and the policy underpinning the Act as explained above (*cf* AS [54]).
35. A construction which approaches s 88(2)(c) by reference to the notional use of the mark is also consistent with the legislative history of s 88(2)(c) of the Act. There is no indication in any of the background materials referred to in [29]-[31] above that the text “the circumstances applying at the time when the application for rectification is filed” was intended to do anything other than identify the time at which the ground for cancellation was to be considered, thus distinguishing s 88(2)(c) from s 88(2)(a). The relevant recommendation in the Working Party Report used the language “*as at the date of commencement of the rectification proceedings*”. It was necessary to do this in the new legislation because, as explained at [29]-[30] above, the relevant time to consider the application of s 28(a) of the 1955 Act was one of the “ambiguities” that the Working Party

¹⁴ *Health World Ltd v Shin-Sun Australia Pty Ltd* (2010) 240 CLR 590 at [27] (French CJ, Gummow, Heydon and Bell JJ).

was tasked at resolving. The Explanatory Memorandum to the 2006 amendment to s 88(2)(c) referred to in [31] above also indicates that those amendments were for reasons of clarity that any trade mark may be removed from the Register, irrespective of the Act under which it was registered, if it is likely to deceive or cause confusion to consumers *at the time an application to remove it from the Register is made*.

36. Further, the authorities which considered s 28(a) of the 1955 Act, while unsettled as to whether s 28(a) permitted a validly registered mark to be expunged due to circumstances arising after the date of the application for registration, were largely consistent in reasoning that applications to cancel a mark under s 28(a) were to be assessed by reference to the notional use of the mark.¹⁵ While it is acknowledged that the language of s 28(a) of the 1955 Act was “the use of which *would be likely* to deceive or cause confusion”, it is clear that the view that the likelihood of deception or confusion was to be assessed based on the notional use of the mark was sourced in the word “likely” in s 28(a) rather than “would be”.¹⁶ Further, the appellant places emphasis on “the use” in support of her argument, but s 28(a) of the 1955 Act also included this language. Decisions of the Federal Court which have considered s 88(2)(c) of the current Act have also applied a notional normal and fair use test.¹⁷

The Full Court’s approach

37. If s 88(2)(c) is construed as the appellant submits it should be, that is not determinative of ground 2(ii) of the notice of appeal. As the Full Court reasoned, it regarded the s 88(2)(c) ground as established even if the point of construction was correct (FCJ [339]; CAB 419). Contrary to AS [56]-[57] that reasoning is not erroneous having regard to: (a) the nature and extent of the reputation of the Katy Perry Mark (FCJ [289]-[291]; CAB 409-410); (b) that it and the Designer’s Mark were admitted to be deceptively similar (FCJ [292]-[295]; CAB 410-411); and (c) that the Full Court did not consider the absence of any actual evidence of confusion to be persuasive where “that absence is explicable by the small scale of use of Ms Taylor’s Mark over the 10 years since it was adopted” (FCJ [338], [296]-[299]; CAB 419,

¹⁵ *Berlei* at 355 (Barwick CJ), at 362 (Mason J), at 358 (Stephen J); *GE Trade Mark* at 321 (Diplock LJ); *New South Wales Dairy Corporation v Murray Goulburn Co-operative Co Ltd (No 1)* (1989) 86 ALR 549 at 575-576 (Gummow J) (*Murray Goulburn*).

¹⁶ See *Berlei* at 355 (Barwick CJ) where his Honour observed “But the question whether a mark *is likely* to confuse is not limited to whether there has been actual confusion in the use of the mark. The question is whether its use *is likely* to confuse”.

¹⁷ *Vivo International Corporation Pty Ltd v Tivo Inc* (2012) 294 ALR 661 at [114] and [161] (Nicholas J, with whom Dowsett J agreed at [104]); *Dunlop* at [174]-[181] (Nicholas J); *Societe Civile et Agricole du Vieux Chateau Certan v Kreglinger (Australia) Pty Ltd* (2024) 179 IPR 226 at [587]-[590] (Beach J). The point was raised in *Firstmac Limited v Zip Co Limited* [2025] FCAFC 30 but the Full Court declined to consider it because it was not dispositive (see at [162]-[165] (Katzmann and Bromwich JJ)).

411-412). In respect of the final point, if the *scale of use* is itself a circumstance bearing on the likelihood of confusion (as suggested in AS [57]), there can be no assurance that the likelihood of deception would have decreased by reason of the comparative scale of use between the two marks, as the Katy Perry Mark became more widely known in the lead up to 19 December 2019.¹⁸

38. If s 88(2)(c) incorporates a concept of “notional use”, the Full Court was also correct to conclude that because of the circumstances applying as at 19 December 2019, such use of the Designer’s Mark was likely to deceive or cause confusion. For the purposes of this assessment, their Honours considered whether deception or confusion would occur as at that date if clothes like those Ms Hudson sold were sold bearing the Designer’s Mark (e.g. “hoodies, t-shirts, tank tops and booty shorts”) and disagreed with the primary judge that “a probable purchaser when faced with an item of clothing bearing Ms Taylor’s Mark (Katie Perry) would, on giving the matter a moment’s reflection, conclude that the clothes in question did not come from the same source as clothes bearing the Katy Perry Mark” (FCJ [337]; CAB 419). That was in circumstances where, as the Full Court reasoned, in relation to the s 60(b) inquiry (FCJ [294]; CAB 411) adopted for the purposes of the s 88(2)(c) analysis at FCJ [339] (CAB 419), that even despite the heightened reputation of the Katy Perry Mark as at 19 December 2019, there was no evidence that at that time the mark was so notorious or well-known that consumers would have been aware of the correct spelling of the mark. Contrary to AS [58], this framework of analysis was not erroneous (see [24]-[25] above).

Section 89 (grounds 3 and 4 of the notice of appeal)

39. The Full Court did not err in its approach to the discretion in s 89 of the Act. Before explaining why that it is so, it is convenient to respond to AS [30]-[31] and [62] which concern the legislative purpose of s 89.
40. The submission in AS [62] that the evident purpose of s 89 is to provide protection for trade mark owners mitigating against harsh outcomes as Courts had tried to do under the 1955 Act through the concept of “blameworthy conduct”, ought to be treated with caution for the following reasons. *First*, as the Full Court observed in FCJ [312] (CAB 414), s 89 refers to “act or fault”, rather than just fault. The inclusion of “act” with the disjunctive “or” suggests

¹⁸ See *Berlei* at 363 (Mason J). *Cf Murray Goulburn* at 557-558 where, while Gummow J found that an absence of confusion was significant particularly where there was no marked difference between price and display at points of sale of the UHT Moo and the single pack UHT Moove, his Honour nevertheless found that there was a likelihood of deception or confusion.

that the enquiry is not restricted to blameworthy conduct, but whether the conduct of the trade mark owner has contributed to or caused the mark to become liable for removal on the basis of deception or confusion. *Secondly*, and relatedly, it is relevant that the Working Party Report recommended that some “fault” on the part of the trade mark owner should be a pre-condition to there being a power to cancel in the circumstances described in s 88(2)(c) of the Act (see [35] above), whereas s 89 refers to “any act or fault”. *Thirdly*, a significant difference between s 89 and the concept of “blameworthy conduct” under the 1955 Act is that s 89 also applies in relation to applications to cancel a trade mark under s 88(2)(a) on the basis of a likelihood of deception or confusion that existed at the date of the application for registration (e.g. ss 43, 44 or 60), whereas it is apparent that “blameworthy conduct” developed as a concept specifically in connection with applications to cancel a trade mark due to circumstances which arose after registration.¹⁹ *Fourthly*, the concept of blameworthy conduct was held in *Campomar* at [74] to be a “gloss” on the statutory text consequential on a construction of s 28 of that Act which was erroneous.

41. In any event, the appellant has not identified any error in the Full Court’s construction of the s 89 threshold requirement to the effect that the registered owner has to satisfy the Court that their conduct (here the appellant’s “act”) has not contributed to the mark becoming liable for removal on the basis of deception or confusion. Rather, her complaint is that the Full Court erred in finding that the grounds of cancellation under s 88(2)(a) and s 88(2)(c) did arise through the “act” of the appellant in applying for the Designer’s Mark, with knowledge of Ms Hudson, her reputation, her mark, and of the fact that music artists commonly sold clothing bearing their names at concerts and that celebrities often moved into merchandising, such that it was likely Ms Hudson would do the same (FCJ [317], [342]; CAB 415, 420). There was no error in that finding for the following reasons.
42. *First*, the objective fact of Ms Hudson’s and the Katy Perry Mark’s reputation in music and entertainment, and the objective fact that it was commonplace that entertainers would branch into clothing merchandising as at the Priority Date (and that the appellant knew these facts), are the very matters which meant that when the appellant engaged in the act of applying for the Designer’s Mark, that mark was liable to be successfully opposed under s 60 and so, if it obtained registration, to be removed from the Register under s 88(2)(a). The point is not that the appellant adopted the Designer’s Mark innocently and made the First Application at

¹⁹ See *Murray Goulburn* at 582 (Gummow J). It is acknowledged that the majority of the Full Court in *Riv-Oland* at 574 (Bowen CJ, Lockhart J agreeing) perhaps considered otherwise, although the question of the doctrine’s application to whether a mark should be accepted for registration was left open in *Murray Goulburn HC*.

times before she had heard of Ms Hudson (*cf* AS [68]). Nor does it matter that the respondents ultimately did not pursue their opposition to the Designer's Trade Mark at that time. The point is (as emphasised at FCJ [314] (CAB 415)) that the appellant made a conscious decision to apply on 29 September 2008 to register as a trade mark a name which was similar to that of a famous pop star whose own mark had a substantial reputation in music and entertainment at the time of that application. That act exposed the mark to be liable to be opposed under s 60 and, if it obtained registration, to be removed from the Register under s 88(2)(a).²⁰

43. *Secondly*, the appellant's argument to the contrary depends on distorting the Full Court's reasoning by separating her conduct in applying to register the Designer's Mark from the knowledge with which she did so, and contending that individually, they cannot be said to have contributed to the Designer's Mark being liable to removal. That is an artificial approach to s 89 and fails to address what the Full Court found, namely that the two matters combined caused (or contributed to) the mark being liable to removal under s 88(2)(a) and s 88(2)(c). It cannot be the case that the registered owner's knowledge could never bear upon whether the discretion in s 89 is enlivened. If s 89 is directed at providing protection for trade mark owners mitigating against harsh outcomes, as authorities concerning s 28(a) of the 1955 Act tried to do through the concept of "blameworthy conduct", it cannot be the case that what the registered owner knew when they engaged in the relevant "act" is irrelevant. Indeed, "blameworthy conduct" has been described as "any conduct (whether by act or omission) on the part of a registered proprietor or his predecessor in title *which he knew or ought to have known* would result in the likelihood that the use of the mark would deceive or cause confusion and which has in fact caused or *contributed to* that result" (emphasis added).²¹ In any event, the "fault" limb of s 89 (while not expressly relied upon by the Full Court in its analysis) must encompass an examination of the knowledge of the registered owner. There is nothing in the text of the section which suggests that knowledge is irrelevant to the "act" limb but able to be considered under the "fault" limb.
44. *Thirdly*, contrary to AS [66], there is no material distinction between the statutory language of "arisen through" and the Full Court's language of "contributed to". The language of "contributed to" is consistent with the breadth of the concept of blameworthy conduct,

²⁰ See the analogous analysis in *Melhero Pty Ltd and Anor v Club X and Ors* (1997) 37 IPR 151 at 194-200 (Beaumont J).

²¹ *Murray Goulburn HC* at 391 (Brennan J). See also at 409 (Dawson and Toohey JJ, where their Honours observed "blameworthy conduct" is not to be regarded as an "independent standard against which a registered proprietor's conduct must be judged", but rather as "no more than a shorthand method of referring to all those circumstances which might disentitle an applicant to relief in a court of equity").

including as described by Brennan J in *Murray Goulburn HC* at 391 quoted immediately above. The words “arisen from” require that there be some causal connection, with the requisite nexus being a less proximate relationship than that required by the phrase “caused by”; it is sufficient if it originates in, springs from, or has its foundation in the matter.²² That is consistent with the Full Court’s use of the language “contributed to” here. The fact that this might make it “hard” for the trade mark owner to meet the threshold under s 89 is not perverse (*cf* AS [66]). It should not be forgotten that s 89 is only engaged as an *exception* to a legislative scheme intended to maintain the integrity of the Register in the sense that, relevantly, no registration of a mark is to continue if it is not valid.²³ Indeed, that the discretion in s 89 is not enlivened unless the registered owner establishes that the ground of rectification has not arisen through any “*act or fault*” of the registered owner (a concept broader than the prior notion of “blameworthy conduct” and broader than what was recommended by the Working Party²⁴) tends to suggest that s 89 was the result of a decision by the drafters for the Act to have less of a tolerance for deceptive or confusing marks remaining on the Register than might previously have been the case.

45. *Fourthly*, while the Full Court did not reason as such, there are additional “acts” or “faults” of the appellant in the ten years since the Designer’s Mark was registered which meant that the s 89 discretion was not enlivened to the extent the application for rectification was made under s 88(2)(c). Those acts comprise her acts of encouragement of the association between herself and Ms Hudson (PJ [220]; CAB 88-89), and her act of refusing to enter into a co-existence agreement with Ms Hudson and her subsequent omission of commencing proceedings for infringement or even raising any objection to the respondents’ conduct of marketing and selling clothes in Australia for over ten years (as described in [14] above). These matters also tend against the exercise of the discretion if it were enlivened.
46. In any event, the Full Court’s reasons as to why it would not exercise the discretion in s 89(1) (assuming it was enlivened) involved no *House v The King* error.
47. In respect of the allegation of error in AS [72] concerning the first reason the Full Court gave at FCJ [319] (CAB 416) against exercising the discretion, it is to be remembered that under s 89(2) the Court must take into account the matters prescribed by reg 8.2 of the *Trade Mark*

²² See, albeit in different contexts, *GIO (NSW) v R J Green & Lloyd Pty Ltd* (1966) 114 CLR 437 at 443 (Barwick CJ), 445 (Menzies J), 447 (Windeyer J); *Dickinson v Motor Vehicle Insurance Trust* (1987) 163 CLR 500 at 505 (Mason CJ, Wilson, Brennan, Dawson and Toohey JJ); *Quintano v B W Rose Pty Ltd & Ors* [2008] NSWSC 793 at [7] (Brereton J); *Resilient Investment Group Pty Ltd v Barnett and Hodgkinson as liquidators of Spitfire Corporation Limited (in liq)* (2023) 111 NSWLR 446 at [128] (Gleeson JA).

²³ *Health World* at [27] (French CJ, Gummow, Heydon and Bell JJ).

²⁴ The Working Party only used the language of “fault” in its recommendation, not “act or fault”.

Regulations 1995 (Cth), and may take into account any other matter that the Court considers relevant. The statutory text does not confine consideration of relevant matters to circumstances existing at the time of the application. Thus, there is no error in the Full Court taking into account events that occurred after the Priority Date in FCJ [319], namely the appellant's attempts to obtain publicity for the Designer's Mark by reference to Ms Hudson (PJ [220(3)]; CAB 88-89). Nor is there reason to doubt the Full Court's factual finding that those attempts would only increase the likelihood of consumers potentially being deceived or confused (FCJ [319]; CAB 416). The same may be said for the appellant's criticism in AS [75] of the fourth reason the Full Court gave in FCJ [322] (CAB 416) for refusing to exercise the discretion. That the appellant refused to enter into a co-existence agreement under which she would have retained her mark, and thereafter stood by for 10 years before commencing proceedings, is a relevant circumstance that disentitles the appellant to relief under s 89.

48. In respect of the appellant's criticism at AS [73] of the second reason for not exercising the discretion – that the absence of evidence of any actual confusion is not a reason *against* exercising the discretion – the appellant has not identified any *House v The King* error. It is to be recalled that the appellant bore the onus under s 89. Thus, to the extent that she called in aid of the absence of evidence of any actual confusion in favour of an exercise of the discretion, the Full Court was correct to reason that that was not determinative.
49. As to the third reason for the exercise of the discretion, there is no error in the Full Court being concerned to preserve the integrity of the Register. While it may be that the Act sanctions a certain level of confusion, the point is that the Full Court found that because of the reputation of the Katy Perry Mark, use of the Applicant's mark was likely to deceive or cause confusion to a level *not sanctioned* by the Act. Thus, the observations in the other cases to which the Full Court referred to in FCJ [321] (CAB 416) were relevant to the assessment of whether there was sufficient reason not to order the cancellation of the Designer's Mark.
50. Finally, contrary to AS [76], there is no error in the Full Court's conclusion at FCJ [344] (CAB 420) (as another reason against exercising the discretion under s 89 in respect of the s 88(2)(c) ground) that Ms Hudson's conduct could not be described as that of an "assiduous infringer" in circumstances where she honestly adopted her stage name in 2002, after learning of the appellant and the Designer's Mark proposed a co-existence agreement, and Mr Jensen did not consider there to be any likelihood of consumers being deceived or confused. The Full Court did not engage in this analysis for the purposes of considering the

defence of honest and concurrent use under s 44(3)(a) of the Act. In the context of their Honours' earlier consideration of that defence, the Full Court was aware that in an infringement suit, the time at which that defence is to be assessed is the date of the alleged infringement (see FCJ [193] (CAB 389-390) which was cited with approval in *Firstmac* at [3] (Perram J)). When it came to the s 89 discretion, in FCJ [344] (CAB 420) the Full Court was deploying the language of "assiduous infringer" to address the submission made by the appellant that Ms Hudson should not be rewarded for "swamping" the Designer's Mark. That submission, and the Full Court's treatment of it, harkened to the authorities concerning s 28(a) of the 1955 Act and the observations in those authorities as to whether that section permitted a person who "assiduously infringed" a trade mark to exploit the infringement by producing a situation in which the use of the registered mark would be likely to deceive or cause confusion.²⁵ Once that is appreciated, it cannot be said that the Full Court erred in taking into account the matters in FCJ [344] in determining that the discretion in s 89 should not be exercised in the appellant's favour.

Conclusion

51. Even if the appeal were allowed, the matter should not be remitted to the primary judge to deal with quantum. Rather, the appropriate relief would include an order remitting the matter to the Full Court to determine grounds 5 to 7 of the respondents' notice of appeal below, concerning the respondents' defence of laches, the challenge to the primary judge's conclusion that the appellant was entitled to an award of additional damages and the form of the primary judge's injunction²⁶ (CAB 311-315).

Part VI: ESTIMATE

52. The respondents estimate they will need 2.5 hours to present their argument.

Dated: 27 June 2025



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²⁵ *Berlei* at 133 (Windeyer J); *Riv-Oland* at 574 (Bowen CJ) at 598-599 (Lockhart J); *Murray Goulburn* at 576-577 (Gummow J); *Murray Goulburn HC* at 383 (Mason J), at 406-407 (Dawson and Toohey JJ), at 429-430 (McHugh J).

²⁶ Accepting that the injunction may have to be reworded to take into account the Full Court's expanded infringement findings.

ANNEXURE TO RESPONDENTS' SUBMISSIONS

S49/2025

No	Description	Version	Provision(s)	Reason for providing this version	Applicable date(s)
1	<i>Trade Marks Act 1955</i> (Cth)	Compilation 29 June 1994 – 31 December 1995	ss 22, 61	Part of the background of the legislative history of the previous Act before current <i>Trade Marks Act 1995</i> (Cth) enacted	1995
2	<i>Trade Marks Bill 1994</i> (Cth)	Bill as introduced and read on 21 September 1994 (House of Representatives)	-	Relevant to legislative history of the <i>Trade Marks Act 1995</i> (Cth) and TRIPS compliance	1994
3	<i>Trade Marks Act 1994</i> (Cth)	Compilation 17 October 1994 – 16 October 1995	-	Relevant to legislative history of the <i>Trade Marks Act 1995</i> (Cth) and TRIPS compliance	1994
4	<i>Trade Marks Act 1995</i> (Cth)	Compilation 1 January 1996 – 29 June 1997	s 88, 89	Version of the <i>Trade Marks Act 1995</i> (Cth) as enacted for the first time	1996
5	<i>Trade Marks Act 1995</i> (Cth)	Compilation 24 February 2019 – 26 February 2020	ss 44, 87, 92, 120	Version in force at date of Cross-claim	19 December 2019
6	<i>Trade Marks Amendment Act 2006</i> (Cth)	Act no. 114, 2006, assented to on 23 October 2006	Schedule 1, cl. 41	Relevant to legislative history of s 88(2)(c) of the <i>Trade Marks Act 1995</i> (Cth)	23 October 2006